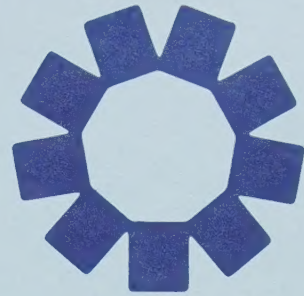


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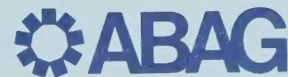


WHAT EVERYONE NEEDS TO KNOW ABOUT GROWTH



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WHAT EVERYONE NEEDS TO KNOW ABOUT GROWTH AND HOW TO FIND OUT: DECISION MAKING WITH A FULL DECK

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WHAT EVERYONE NEEDS TO KNOW ABOUT GROWTH AND HOW TO FIND OUT: DECISION MAKING WITH A FULL DECK

Whatever happened to "orderly growth?"

Whatever happened to "urban growth in the region being guided into and around existing communities?"

Whatever happened to "reducing the need for long commuting by providing a wide range of well-serviced residential units convenient to urban centers of employment?"

Whatever happened to "coordinating policies for water, sewer, transportation, housing and open space to guide the timing, location and intensity of urban development?"

These were the guiding principles of ABAG's Regional Plan 1970-1990, the "City Centered Concept of Urban Development" adopted by Bay Area local governments in 1970 and generally adhered to until the late 1970s.

But today, in the fast growing parts of the region we are seeing traffic problems so severe that County Boards and City Councils, under pressure from their constituents, are taking action to constrain growth; citizen initiatives are resulting in voter approval of moratoria on growth until highway and street improvements are made.

There are conflicts over who will pay for expanded water and sewer services in areas where development has already overwhelmed existing capacity and much more growth is planned. Where new or expanded facilities are being installed in already developed areas, communities suffer additional costs in traffic congestion on local streets and disruption of local businesses.

What has happened to get orderly growth so far off course?

Citizens and decision makers alike have not had the complete picture of the impacts of economic growth. They act to stop the immediately perceived problem, in this case, traffic congestion, without consideration of the actual causes and outcomes.

The Dynamics of Growth

Urban growth has two components: employment growth through economic development -- industrial, commercial, office; and population growth through residential development. There are usually discrepancies in the timing of residential development compared to commercial and industrial development. It is the degree of imbalance that promotes traffic congestion and air quality problems of the kind we are now experiencing.

- o If jobs grow more rapidly, workers can't find housing nearby and must commute from a distance.
- o If housing grows more rapidly, local residents commute to distant jobs.
- o If housing keeps pace with jobs but is more expensive than workers in the new jobs can afford, workers either stay where they are and commute, or buy housing they can afford in distant areas and commute.
- o New expensive housing is eventually occupied, but by people who commute out to higher paid jobs in other subareas.

On the other hand, both employment and residential development can be slowed or halted if sufficient water and effluent disposal facilities are not in place. Most parts of the Bay Area are experiencing one or more of these imbalances. Why is this happening?

The Economic Realities

Local property tax revenues declined sharply in the aftermath of Proposition 13. Counties, whose plans had encouraged urban development within cities, were hardest hit because their alternative revenues, from commercial and industrial sources, were limited. At the same time, the Federal government, which had largely subsidized highways, water and sewer facilities and low-moderate income housing, began the phaseout of these assistance programs. Counties began processing General Plan amendments to permit economic development and employment growth in unincorporated areas.

- o Land was cheaper in outlying areas
- o Development brought retail sales and business taxes into county coffers
- o Commuting workers would spend money in the area but would not require public services to the same extent as resident workers
- o Developers were willing to pay the costs of freeway access to their projects and Caltrans would build the improvements without much concern for local growth impacts
- o But a majority of the new jobs being created have been at moderate and below income levels
- o For residential development, again land was cheaper in outlying areas, but often required expensive infrastructure extensions and additional public service personnel--water, sewer, roads, waste disposal facilities, public safety, schools, libraries, etc.

- o Developers, required to pay for improvements because property tax revenues would not cover them as in the past, added these costs to the price of housing, either up front or through assessment districts, often bringing monthly payments out of the reach of employees in new jobs--even with two household members working. The demand for housing in job growth centers also caused prices of existing units to rise substantially
- o Past patterns of cooperation and coordinated planning among cities in subregional areas, and between cities and counties, has given way to sometimes fierce competition for economic development and little concern for how economies in neighboring communities or subareas will be affected.

Within some subregional areas we have cities with barely enough tax revenue to provide essential services next door to cities with huge industrial/commercial complexes bringing in revenues far in excess of their allowable annual limits under Proposition 4. Special purpose water agencies with infrastructure responsibilities, whose jurisdictions span two or more subareas, are faced with disputes between long-standing customer cities and newly formed cities in growth areas over water quality, allocation of supply, and distribution of the costs of extending and expanding the service area and facilities.

With imbalances and conflicts as extreme as these, how can the region's communities return to a mode of orderly growth? Traffic mitigation measures are not enough. Through their authority to control type, density, location, and timing of new economic and residential development, and to require mitigation of significant adverse impacts in the environmental review process, local decision makers have the ability to begin restoring balanced and phased growth within and between subregional areas. But they, and their constituents need to have the full picture before exercising that authority.

An environmental impact report is prepared for use by local citizens, planning commissions, Boards and Councils prior to taking action on a proposed project. Its purpose is to inform the public about significant environmental effects of a project, to identify possible ways to minimize the significant effects and to describe reasonable alternatives to the project. To begin to reverse the effects of unbalanced growth through the environmental review and permit approval process, **everyone**--planning commissioners, local elected officials and citizens --needs this kind of information about major development proposals:

- o numbers and types of jobs the project will generate--by broad industrial categories is sufficient
- o salaries associated with these jobs
- o workers per household and household income patterns in their subregion



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- o land available for development (residential, industrial/commercial), infrastructure commitments, present capacities and prospective demand
- o the existing housing stock
- o the resident labor force--those employed, and potential new workers
- o existing commute patterns by income levels
- o skill requirements of new jobs (by broad categories)
- o skills of potential new entrants to the labor force (secondary household workers, new highschool and college graduates, current part-time and underemployed persons, and the unemployed)
- o ways to attract new entrants to the labor force
- o ways to link local employment and training programs with the skill requirements of the new jobs.

This information should be given widespread dissemination as part of the environmental impact assessment of every major development proposal. The information should be provided, not just for the jurisdiction where it will be built, but for neighboring jurisdictions within a reasonable commute distance, where local streets can take the load off freeways, and within special district boundaries. And **everyone** needs to look at impacts of a specific development proposal in the context of all existing and previously approved but not yet completed projects within this reasonable commute radius. And finally, this information is needed before alternatives are described and mitigations identified. It is also essential for credible traffic and air quality analyses.

The environmental impact assessment is the one place where the information that everyone--local officials and citizens alike--needs can be made available. Yet, it is the rare environmental document that considers any of these factors more than superficially. Recommended mitigation measures concentrate on freeway improvements and Transportation Systems Management (TSM) measures--measures that have been called "traffic tinkering." Transportation mitigations do not get at the basic cause of the traffic problems and pollution--disorderly growth: job growth that is far outstripping production of affordable housing, and infrastructure capacity that may lag behind both economic and residential growth.

Instead what we are seeing in environmental documents is the assumption that workers will live somewhere else and commute in. In most cases these same workers who live "elsewhere" are also being assumed as the source of labor for other proposed projects in other subregional areas. Since a large majority of these new jobs being generated throughout the region offer only moderate salaries, it stands to reason that workers will, when given a choice, save commuting expenses by taking jobs nearer home. While this would, indeed, reduce long distance commuting, it would also result in

enduring vacancy rates in projects depending on out-of-area workers who do not materialize. The point here is that, because of ignorance of what is happening in other parts of the region, in some subregions job expectations not only are way ahead of housing and infrastructure development but also exceed the available existing labor supply both near and far.

A number of reasons have been given why this information is not being provided in environmental documents.

- o The effect of the project on the local housing market is not an environmental impact and therefore does not have to be considered. But we have noted how the shortage of housing for new workers results directly in traffic congestion and thus in air pollution and excess energy consumption.
- o These development proposals are only speculative; the kind of detail about anticipated jobs is not available. But ABAG Projections and Census data contain enough information about the types of jobs associated with the kinds of developments being proposed: office, retail, service and light industrial, at local, subregional and regional levels. There is information from these same sources about income levels associated with job types, about household incomes and numbers of workers per household. ABAG's Local Policy Survey contains data on land available for development. Local housing planners and economic development staff know about the existing housing stock, how land is currently zoned, socio-economic characteristics of their communities. What there has not been is any systematic method for putting this information together to estimate the impacts of employment growth in a subregion on the housing market and on the resident labor pool. Assistance in organizing this information, now available from ABAG, is described in a report, Jobs/Housing Balance for Traffic Mitigation.*
- o In most suburbs there is resistance to higher densities and multifamily development--the types of housing most likely to be affordable to families with moderate incomes. But a slight increase in overall density (which is all it would take if every city did it) can be accomplished through clustering higher density and multifamily housing near downtown and neighborhood commercial centers, on transit routes and near stations and bus stops. And commute traffic can be reduced if local residents who commute outside the subregion can be induced to switch to jobs nearer home; if non-working local residents can be attracted into the labor force by the new job opportunities.

What We Are Learning about Managing Growth

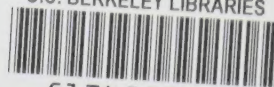
In subregional corridor studies with MTC and from reviewing and commenting upon the adequacy of environmental impact reports, we have learned of the clear need:

- o for complete information, available to the public and decision makers alike, organized so that impacts can be clearly understood
- o for cooperation among general purpose governments at the subregional level
- o for coordination between general purpose governments and agencies responsible for providing infrastructure--water, sewer, streets, highways, transit
- o to look at cumulative impacts on the subregional level and over time
- o to look at what is happening in adjacent subregions
- o to use a common data base and consistent analysis.

* The report, Jobs/Housing Balance for Traffic Mitigation, was produced as part of the MTC/ABAG I 680/I 580 Corridor Study currently underway, with participation of all jurisdictions in Alameda and Contra Costa Counties east of the hills. It has been distributed to all planning departments in the region. The report is based on information compiled for the I 680/I 580 Corridor, the Route 101 Peninsula Corridor Study, involving communities along the Bayshore Freeway from San Francisco to San Jose, and the East Bay North Subregional Study for the subregion from Oakland to the Carquinez Bridge. The report describes methods for organizing available information for analyzing impacts of proposed development and contains an inventory of mitigation measures that can be applied in the development review process to:

- o increase the supply of housing close to employment centers
- o encourage production of affordable housing
- o phase housing construction with job growth
- o improve access to transit for home-to-work trips by coordinating land use measures with facilities plans of transit agencies
- o encourage developers to locate where affordable housing is available
- o increase employment of local residents in the new jobs.

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